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UNCLAS TEL AVIV 002357

SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

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COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

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E.O. 12958: N/A TAGS: OPRC KMDR IS

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key Stories in the Media:

Ha'aretz reported that Secretary Rice's visit to Israel and the West Bank is the first step in preparations for the U.S.led international peace conference proposed for this fall. The paper, citing diplomatic sources in Jerusalem, reported that Prime Minister Olmert will tell Secretary Rice that he would like to make a diplomatic splash at the summit by having a meeting with a Saudi official. The paper noted that it is doubtful whether the Saudis will even attend the summit as Bush has stipulated that only countries that recognize Israel's legitimacy will be invited to participate. The Jerusalem Post reported that according to diplomatic officials Rice will ask Israel to continue taking steps to bolster PA Chairman Mahmoud Abbas.

All media reported that Prime Minister Ehud Olmert spoke at a graduation ceremony in Jerusalem for the Israel Defense Forces' command college on Tuesday. He was quoted as saying that there is no reason to create an atmosphere of war and that all sides want peace, not war. In contrast Syrian President Bashar Assad was quoted as saying in a letter he wrote to the Syrian army that the resistence model has won and that the release of Syrian soil is sacred.

Leading media reported that Secretary Rice signed a joint statement with the foreign ministers of Egypt, Jordan and six Persian Gulf states, endorsing the 2002 Arab peace initiative as one of the foundations for Middle East peace.

All media quoted Syrian Foreign Minister Walid al-Moallem as saying on Tuesday that Syria is ready to take part in the U.S.-sponsored Mideast peace conference, despite the country's stance that Washington is behind the instability in the region.

All media quoted Russia's deputy foreign minister as saying that Russia intends to downgrade its ties with Hamas, including a suspension of high level contacts.. Israel Radio reported that Hamas officials claim to have received official invitations to visit Moscow and that they intend to go in the near future. The media also reported that Russian President Vladimir Putin told visiting Palestinian Authority Chairman Mahmoud Abbas on Tuesday that he is the legitimate leader of all Palestinians.

The Jerusalem Post quoted Jordanian government spokesman Nasser Judeh as saying on Tuesday that Jordan does not intend to deploy troops in the Palestinian territories to aid with security.

Leading media reported that Hamas is setting up a new intelligence service in Gaza. According to Hamas's Interior of Ministry spokesman, the new force will become operational within the next few weeks and it will focus on security throughout Gaza.

Yediot reported that Israel is seriously looking at buildinga nuclear power station to meet future demand for electricity. According to the paper if Israel goes ahead with this plan, it would have to open up its nuclear activities to international inspection.

The Jerusalem Post reported that the US Consulate General in Jerusalem announced yesterday a new on-line appointment system for American Citizens living in Jerusaelm.

Yediot quoted US Consul-General Richard Beer as saying in an interview with the paper that the refusal rate in Israel stands at 4 percent. According to the consul the number of Israelis applying for a US toiurist visa has risen by 50 percent this year.

Mideast:

Summary:

Columnist Akiva Eldar wrote in the independent, left-leaning Ha'aretz: "Despite Olmert's generously broad coalition, the prime minister is even failing to meet his commitment to dismantle the illegal settler outposts in the West Bank.... When will it be time to talk? It is time we realized that time does not take orders from Jerusalem. Abbas is telling every Israeli he meets that in 18 months at the latest, we will have to look for partners from Hamas.

If we have a partner, then we must begin talking to him right now. If we have no partners, then we best prepare the bomb shelters. There is no such thing as a half-partner."

Economic editor Sever Plotker wrote in the mass-circulation, pluralist Yediot Aharonot: "The current administration in Iran fears the Qatari model more than an Israeli attack on its nuclear devices.... When an oppressive regime and a reconciling regime exist next to each other, the model of reconciliation will eventually topple oppression. This is especially true when both have money and only one uses it correctly. That is why in the summer of 2007 we can be a little bit more optimistic."

Columnist Yosef Harif wrote in the popular, pluralist Maariv: "Why does [Vice Prime Minister Haim] Ramon believe that now of all times, Israel has a worthy partner ...? After all it is the same Abu Mazen who isknown to be a weak leader who did not succeed in the past to fulfill any of the obligations he took on in past agreements with Israel.... It is hard to imagine that this is the man with whom Israel could reach an agreement under the threatening shadow of Hamas."

## Block Quotes:

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## Ti. "Time Does not Take Orders from Jerusalem"

Columnist Akiva Eldar wrote in the independent, left-leaning Ha'aretz (08/01): "The Palestinian partner was born in Oslo in the summer of 1993, and died seven years later at Camp David. Following seven more years of violence, diplomatic stalemate and renewed settlement -- and following the disillusionment from the misconception of unilateral moves -- the word 'partner' is slowly making a comeback. The Ramallah branch of the Palestinian government is no longer considered 'an entity that supports terrorism,' as former prime minister Ariel Sharon's cabinet defined it in its December 2001 statement on the Palestinian Authority. Following the recent loss of the Gaza Strip to Hamas, Palestinian Authority Chairman Mahmoud Abbas was transformed overnight from a weak and irrelevant leader to a partner worth strengthening. During his last meeting with Abbas, Prime Minister Ehud Olmert even mentioned something about possibly agreeing to discuss the permanent peace agreement in their next meeting. However, one should keep in mind that when Jerusalem mentions the permanent peace agreement, it does not mean the third and final stage of the international Quartet's road map plan for peace.... Olmert and Foreign Minister Tzipi Livni are not offering to discuss 'an agreed, just, fair, and realistic solution to the refugee issue, and a negotiated resolution on the status of Jerusalem,' as required in that godforsaken road

map.... Despite Olmert's generously broad coalition, the prime minister is even failing to meet his commitment to dismantle the illegal settler outposts in the West Bank.... When will it be time to talk? It is time we realized that time does not take orders from Jerusalem. Abbas is telling every Israeli he meets that in 18 months at the latest, we will have to look for partners from Hamas. If we have a partner, then we must begin talking to him right now. If we have no partners, then we best prepare the bomb shelters. There is no such thing as a half-partner."

## II. "Oil on Democracy's Wheels"

Economic editor Sever Plotker wrote in the mass-circulation, pluralist Yediot Aharonot (08/01): "Let's look around at what is happening in the Arab-Muslim sphere: the three fragile democracies — Lebanon, Palestine and Iraq — are surviving somehow.... It is still not the democratic Middle East that George Bush continuously speaks about, but in the summer of 2007 there is room for cautious optimism.... Hundreds of billions of dollars of oil money is also strengthening — for now — the democratic trends.... Oil money will fast-forward democratization of the Muslim world; it is already generating a change in it.... The danger of instability has weakened and the slightly autocratic democratic regimes can afford a few reforms. At the same time, oppressive regimes, first and foremost Iran, are failing disgracefully in their use of oil money.... The current administration in Iran fears the Qatari model more than an Israeli attack on its nuclear devices.... When an oppressive regime and a reconciling regime exist next to each other, reconciliation will eventually topple oppression. This is especially true when both have money and only one uses it correctly. That is why in the summer of 2007 we can be a little bit more optimistic."

## III. "Dangerous Peace"

Columnist Yosef Harif wrote in the popular, pluralist Maariv (08/01): "Haim Ramon, who was appointed by Ehud Olmert to be Vice Prime Minister, has come up with an idea to raise Olmert's political stock.... The plan that Ramon is working on focuses on reaching a permanent agreement with the Palestinians. From what we have learned so far about the plan, it involves an Israel withdrawing from major parts of the West Bank, not unilaterally, but with as part of an agreement with Abu Mazen. It will lay the foundations for a Palestinian State in the West Bank.... Why does Ramon believe that now of all times, Israel has a worthy partner ...? After all it is the same Abu Mazen who is known to be a weak leader and who did not succeed in the past to fulfill any of the obligations he took on in past agreement with Israel.... It is hard to assume that this is the man with whom Israel could reach an agreement under the threatening shadow of Hamas.... Moreover, it is most likely that Hamas would do everything possible to take over territory that would be transferred to the PA ... Such a development ... would put the center of Israel in clear danger, one that Israel would not be able to ignore. And so instead of Ramon's plan promoting peace, it might lead to a new war." JONES